GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:1780
ANSWERED ON:10.12.2004
POWERLOOM PARKS
Mahajan Smt. Sumitra

Will the Minister of TEXTILES be pleased to state:

(a) the number of powerloom parks set up by the Government, State and location-wise;

(b) whether the Government aims to set-up more powerloom parks in future;

(c) the facilities provided to powerloom sector workers by these powerloom parks;

(d) the number of units benefited by TUFS(Technology Upgrdation Fund Scheme); and

(e) details of performance of TCIDS(Textile Centre Infrastructure Development Scheme?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) No, Sir. No powerloom park has yet been set up by Government of India in any of the States.

(b)&(c): Yes, Sir. Government of India is encouraging establishment of high-tech powerloom parks involving modernized powerlooms through assistance under the Schemes like (i) The Technology Upgradation Fund Scheme (TUFS); (ii) The Group Workshed Scheme (GWS); and (iii) The Textile Centre Infrastructure Development Scheme (TCIDS). The TUFS, which has component of interest or capital subsidy aims at accelerated modernization of the textile sector to make it internationally competitive. The GWS aims at improving the working environment of powerloom workers to enable them attain higher productivity and encouraging the powerloom entrepreneurs for installation of larger and improved looms of benchmarked technology. The TCIDS provides central assistance for improving critical infrastructure in existing or emerging textile centers including powerloom clusters. The following benefits are available under these Schemes:-

Technology Upgradation Fund Scheme (TUFS)

- Reimbursement of five percent interest charged by the financial institutions/banks for technology upgradation projects in conformity with the Scheme.

- For small scale powerloom units an alternative option of credit linked 20% capital subsidy for powerloom and weaving preparatory machinery, upto a cost of Rs. 60 lakh, with the facility to obtain credit from an enlarged credit network that includes all cooperative banks and other genuine non-banking financial companies (NBFCs) recognized by the Reserve Bank of India.

Group Workshed Scheme (GWS)

- Subsidy for construction of worksheds limited to 25% of the unit cost of construction subject to a maximum of Rs.80/- per. sq. ft.

Textile Centre Infrastructure Development Scheme (TCIDS)

- For developing critical infrastructure like road, common facility, drainage, power supply etc subsidy upto Rs. 20.00 crores per cluster.

In addition to the above Schemes, Government of India has introduced a Group Insurance Scheme in July, 2003 for Powerloom workers in association with the Life Insurance Corporation of India under which powerloom workers aged between 18 to 59 years and below the poverty line (BPL) or marginally higher than the BPL are eligible for an insurance coverage of Rs. 50,000 on accidental death / permanent disability; Rs. 25,000 on permanent partial disability; or Rs. 20,000 on natural death / partial disability under the scheme 'Janashri Bima Yojana '. The annual premium of Rs. 200 would be shared by the Central Government, beneficiary and LIC in the ratio of Rs. 60, 40 and 100 respectively. Under the add on scheme, additional insurance coverage of Rs. 30,000 on natural as well as accidental death is made available at annual premium of Rs. 180, which would be shared equally by Central Government and beneficiary. On paying weaver can avail cumulative benefits. As on date nearly 50,478 powerloom workers have been covered under the scheme and Government of India has released Rs.38.42 lacs towards its share in the scheme.

(d) Progress under the TUFS

- As on October 31, 2004, a total of 3599 applications have been received under the Scheme with a project cost of Rs. 25115 crore.

3361 applications with a project cost of Rs. 20367 crore have been sanctioned for a loan amount of Rs. 9271 crore. Rs.6281 crore have been disbursed in respect of 2816 applications having project costs of Rs.15565 crore.

- Under the five percent interest subsidy component of Technology Upgradation Fund Scheme (TUFS), an amount of Rs. 164.73 crores have been sanctioned to 368 Powerloom units with the project cost of Rs 262.87 crore, out of which Rs 85.57 crore has been disbursed to 290 Powerloom units upto 30th October 2004.

- Under the 20% capital subsidy component of TUFS for powerloom units, 150 cases have been received with a total investment of Rs. 35.86 crore in machinery as on 30th November 2004. The subsidy amount of Rs. 3.19 crore have been released in respect of 86 cases and other cases are at various stages of processing.

(e) Till date, 16 TCIDS project proposals have been approved by Government in the States of Andhra Pradesh, Gujarat, Haryana, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Jammu & Kashmir and Tamil Nadu. The approved projects are under various stages of implementation. Central Grant-in-aid amounting to Rs. 11.95 crores has been released for various approved TCIDS projects on reimbursement basis.